### AMENDED IN ASSEMBLY APRIL 3, 2008

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

## ASSEMBLY BILL

No. 2818

# **Introduced by Assembly Member Furutani Jones**

February 22, 2008

An act to amend Section 3011 of the Elections Code, relating to elections.— An act to repeal and amend Section 65863.10 of the Government Code, and to amend Section 34315.7 of the Health and Safety Code, relating to housing.

#### LEGISLATIVE COUNSEL'S DIGEST

## AB 2818, as amended, Furutani Jones. Vote by mail. Housing.

(1) Existing law, until January 1, 2011, requires, prior to the anticipated date of the termination of a subsidy contract, expiration of rental restrictions, or prepayment on an assisted housing development, as defined, that the owner proposing the termination, as defined, or prepayment of governmental assistance or the owner of an assisted housing development, as defined, in which there will be the expiration of rental restrictions provide a notice of the proposed change to each affected tenant household residing in the assisted housing development and to the affected public entities. Those defined terms are limited to certain federal subsidy programs.

This bill would expand the definition of "assisted housing development" for these purposes to include conventional public housing under a specified provision of federal law.

(2) The Housing Authorities Law requires the disposal of real property owned by a housing authority to be for certain purposes and in a specified order of priority.

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This bill would prohibit a housing authority from disposing of housing units affordable to low- and moderate-income households, as defined, unless certain conditions are met.

(2) The Housing Authorities Law requires the disposal of real property owned by a housing authority to be for certain purposes and in a specified order of priority.

This bill would prohibit a housing authority from disposing of housing units affordable to low- and moderate-income households, as defined, unless certain conditions are met.

Existing law establishes the procedures by which a voter is permitted to cast his or her ballot by mail. These provisions require the elections official to deliver to each qualified vote by mail voter a ballot for his or her precinct and a return envelope.

This bill would make nonsubstantive changes to the provision regarding that envelope.

Vote: majority. Appropriation: no. Fiscal committee: no-yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 65863.10 of the Government Code, as 2 amended by Section 1 of Chapter 255 of the Statutes of 2003, is 3 repealed.
  - 65863.10. (a) As used in this section, the following terms have the following meaning:
  - (1) "Affected public entities" means the mayor of the city in which the assisted housing development is located, or, if located in an unincorporated area, the chair of the board of supervisors of the county; the appropriate local public housing authority, if any; and the Department of Housing and Community Development.
  - (2) "Affected tenant" means a tenant household residing in an assisted housing development, as defined in paragraph (3), at the time notice is required to be provided pursuant to this section, that benefits from the government assistance.
  - (3) "Assisted housing development" means a multifamily rental housing development that receives governmental assistance under any of the following federal programs:
  - (A) New construction, substantial rehabilitation, moderate rehabilitation, property disposition, and loan management set-aside programs, or any other program providing project-based assistance,

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1 under Section 8 of the United States Housing Act of 1937, as 2 amended (42 U.S.C. Sec. 1437f).

(B) The following federal programs:

- (i) The Below-Market-Interest-Rate Program under Section 221(d)(3) of the National Housing Act (12 U.S.C. Sec. 1715*l*(d)(3) and (5)).
- (ii) Section 236 of the National Housing Act (12 U.S.C. Sec. 1715z-1).
- (iii) Section 202 of the Housing Act of 1959 (12 U.S.C. Sec. 1701q).
- (C) Programs for rent supplement assistance under Section 101 of the Housing and Urban Development Act of 1965, as amended (12 U.S.C. Sec. 1701s).
- (D) Programs under Section 515 of the Housing Act of 1949, as amended (42 U.S.C. Sec. 1485).
  - (E) Section 42 of the Internal Revenue Code.
- (4) "City" means a general law city, a charter city, or a city and county.
- (5) "Expiration of rental restrictions" means the expiration of rental restrictions for an assisted housing development described in subparagraph (E) of paragraph (3) unless the development has other recorded agreements restricting the rent to the same or lesser levels for at least 50 percent of the units.
- (6) "Prepayment" means the payment in full or refinancing of the federally insured or federally held mortgage indebtedness prior to its original maturity date, or the voluntary cancellation of mortgage insurance, on an assisted housing development described in subparagraph (B) of paragraph (3) that would have the effect of removing the current low-income affordability restrictions contained in the applicable laws and the regulatory agreement.
- (7) "Termination" means an owner's decision not to extend or renew its participation in a federal subsidy program for an assisted housing development described in subparagraph (A) of paragraph (3), either at or prior to the scheduled date of the expiration of the contract, that may result in an increase in tenant rents or a change in the form of the subsidy from project-based to tenant-based.
- (b) (1) At least 12 months prior to the anticipated date of the termination of a subsidy contract, expiration of rental restrictions, or prepayment on an assisted housing development, the owner proposing the termination or prepayment of governmental

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assistance or the owner of an assisted housing development in 2 which there will be the expiration of rental restrictions shall provide 3 a notice of the proposed change to each affected tenant household 4 residing in the assisted housing development at the time the notice 5 is provided and to the affected public entities. An owner who meets 6 the requirements of Section 65863.13 shall be exempt from providing that notice. The notice shall contain all of the following:

- (A) In the event of termination, a statement that the owner intends to terminate the subsidy contract or rental restrictions upon its expiration date, or the expiration date of any contract extension
- (B) In the event of the expiration of rental restrictions, a statement that the restrictions will expire and whether the owner intends to increase rents greater than permitted under Section 42 of the Internal Revenue Code.
- (C) In the event of prepayment, a statement that the owner intends to pay in full or refinance the federally insured or federally held mortgage indebtedness prior to its original maturity date, or voluntarily cancel the mortgage insurance.
- (D) The anticipated date of the termination, prepayment of the federal program or expiration of rental restrictions, and the identity of the federal program described in subdivision (a).
- (E) A statement that the proposed change would have the effect of removing the current low-income affordability restrictions in the applicable contract or regulatory agreement.
- (F) A statement of the possibility that the housing may remain in the federal program after the proposed date of termination of the subsidy contract or prepayment if the owner elects to do so under the terms of the federal government's offer.
- (G) A statement that other governmental assistance may be provided to tenants residing in the development at the time of the termination of the subsidy contract or prepayment.
- (H) A statement that a subsequent notice of the proposed change, including anticipated changes in rents, if any, for the development, will be provided at least six months prior to the anticipated date of termination of the subsidy contract, or expiration of rental restrictions, or prepayment.
- (I) A statement of notice of opportunity to submit an offer to purchase, as required in Section 65863.11.

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(2) Notwithstanding paragraph (1), if an owner provides a copy of a federally required notice of termination of a subsidy contract or prepayment at least 12 months prior to the proposed change to each affected tenant household residing in the assisted housing development at the time the notice is provided and to the affected public entities, the owner shall be deemed in compliance with this subdivision, if the notice is in compliance with all federal laws. However, the federally required notice does not satisfy the requirements of Section 65863.11.

- (e) (1) At least six months prior to the anticipated date of termination of a subsidy contract, expiration of rental restrictions or prepayment on an assisted housing development, the owner proposing the termination or prepayment of governmental assistance or the owner of an assisted housing development in which there will be the expiration of rental restrictions under Section 42 of the Internal Revenue Code shall provide a notice of the proposed change to each affected tenant household residing in the assisted housing development at the time the notice is provided and to the affected public entities. An owner who meets the requirements of Section 65863.13 shall be exempt from providing that notice.
  - (2) The notice to the tenants shall contain all of the following:
- (A) The anticipated date of the termination or prepayment of the federal program, or expiration of rental restrictions, and the identity of the federal program, as described in subdivision (a).
- (B) The current rent and anticipated new rent for the unit on the date of the prepayment or termination of the federal program, or expiration of rental restrictions.
- (C) A statement that a copy of the notice will be sent to the city, county, or city and county, where the assisted housing development is located, to the appropriate local public housing authority, if any, and to the Department of Housing and Community Development.
- (D) A statement of the possibility that the housing may remain in the federal program after the proposed date of subsidy termination or prepayment if the owner elects to do so under the terms of the federal government's offer or that a rent increase may not take place due to the expiration of rental restrictions.

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(E) A statement of the owner's intention to participate in any current replacement federal subsidy program made available to the affected tenants.

- (F) The name and telephone number of the city, county, or city and county, the appropriate local public housing authority, if any, the Department of Housing and Community Development, and a legal services organization, that can be contacted to request additional written information about an owner's responsibilities and the rights and options of an affected tenant.
- (3) In addition to the information provided in the notice to the affected tenant, the notice to the affected public entities shall contain information regarding the number of affected tenants in the project, the number of units that are government assisted and the type of assistance, the number of the units that are not government assisted, the number of bedrooms in each unit that is government assisted, and the ages and income of the affected tenants. The notice shall briefly describe the owner's plans for the project, including any timetables or deadlines for actions to be taken and specific governmental approvals that are required to be obtained, the reason the owner seeks to terminate the subsidy contract or prepay the mortgage, and any contacts the owner has made or is making with other governmental agencies or other interested parties in connection with the notice. The owner shall also attach a copy of any federally required notice of the termination of the subsidy contract or prepayment that was provided at least six months prior to the proposed change. The information contained in the notice shall be based on data that is reasonably available from existing written tenant and project records.
- (d) The owner proposing the termination or prepayment of governmental assistance or the owner of an assisted housing development in which there will be the expiration of rental restrictions under Section 42 of the Internal Revenue Code shall provide additional notice of any significant changes to the notice required by subdivision (c) within seven business days to each affected tenant household residing in the assisted housing development at the time the notice is provided and to the affected public entities. "Significant changes" shall include, but not be limited to, any changes to the date of termination or prepayment, or expiration of rental restrictions or the anticipated new rent.

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(e) An owner who is subject to the requirements of this section shall also provide a copy of any notices issued to existing tenants pursuant to subdivision (b), (e), or (d) to any prospective tenant at the time he or she is interviewed for eligibility.

- (f) This section shall not require the owner to obtain or acquire additional information that is not contained in the existing tenant and project records, or to update any information in his or her records. The owner shall not be held liable for any inaccuracies contained in these records or from other sources, nor shall the owner be liable to any party for providing this information.
- (g) For purposes of this section, service of the notice to the affected tenants, the city, county, or city and county, the appropriate local public housing authority, if any, and the Department of Housing and Community Development by the owner pursuant to subdivisions (b) to (e), inclusive, shall be made by first-class mail postage prepaid.
- (h) Nothing in this section shall enlarge or diminish the authority, if any, that a city, county, city and county, affected tenant, or owner may have, independent of this section.
- (i) If, prior to January 1, 2001, the owner has already accepted a bona fide offer from a qualified entity, as defined in subdivision (c) of Section 65863.11, and has complied with this section as it existed prior to January 1, 2001, at the time the owner decides to sell or otherwise dispose of the development, the owner shall be deemed in compliance with this section.
- (j) Injunctive relief shall be available to any party identified in paragraph (1) or (2) of subdivision (a) who is aggrieved by a violation of this section.
- (k) The Director of Housing and Community Development shall approve forms to be used by owners to comply with subdivisions (b) and (c). Once the director has approved the forms, an owner shall use the approved forms to comply with subdivisions (b) and (c).
- (*l*) This section shall remain in effect only until January 1, 2011, and as of that date is repealed, unless a later enacted statute, which is enacted on or before January 1, 2011, deletes or extends that date.
- 38 SEC. 2. Section 65863.10 of the Government Code, as amended 39 by Section 1 of Chapter 110 of the Statutes of 2004, is amended 40 to read:

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1 65863.10. (a) As used in this section, the following terms have the following meaning:

- (1) "Affected public entities" means the mayor of the city in which the assisted housing development is located, or, if located in an unincorporated area, the chair of the board of supervisors of the county; the appropriate local public housing authority, if any; and the Department of Housing and Community Development.
- (2) "Affected tenant" means a tenant household residing in an assisted housing development, as defined in paragraph (3), at the time notice is required to be provided pursuant to this section, that benefits from the government assistance.
- (3) "Assisted housing development" means a multifamily rental housing development that receives governmental assistance under any of the following programs:
- (A) New construction, substantial rehabilitation, moderate rehabilitation, property disposition, and loan management set-aside programs, or any other program providing project-based assistance, under Section 8 of the United States Housing Act of 1937, as amended (42 U.S.C. Sec. 1437f).
- 20 (B) Conventional public housing under the United States 21 Housing Act of 1937 (42 U.S.C. Sec. 1437 et seq.).

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- (C) The following federal programs:
- 24 (i) The Below-Market-Interest-Rate Program under Section 25 221(d)(3) of the National Housing Act (12 U.S.C. Sec. 1715*l*(d)(3) 26 and (5)).
- 27 (ii) Section 236 of the National Housing Act (12 U.S.C. Sec. 28 1715z-1).
- 29 (iii) Section 202 of the Housing Act of 1959 (12 U.S.C. Sec. 30 1701q).
- 31 <del>(C)</del>
- 32 (*D*) Programs for rent supplement assistance under Section 101 33 of the Housing and Urban Development Act of 1965, as amended 34 (12 U.S.C. Sec. 1701s).
- 35 <del>(D)</del>
- 36 (*E*) Programs under Sections 514, 515, 516, 533, and 538 of the Housing Act of 1949, as amended (42 U.S.C. Sec. 1485).
- 38 <del>(E)</del>
- 39 (F) Section 42 of the Internal Revenue Code.
- 40 <del>(F)</del>

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- 1 (*G*) Section 142(d) of the Internal Revenue Code (tax-exempt private activity mortgage revenue bonds).
- 3 <del>(G</del>
- 4 (*H*) Section 147 of the Internal Revenue Code (Section 501(c)(3) 5 bonds).
- 6 <del>(H)</del>
- 7 (I) Title I of the Housing and Community Development Act of 8 1974, as amended (Community Development Block Grant 9 program).
- 10 <del>(I)</del>
- 11 (*J*) Title II of the Cranston-Gonzales National Affordable 12 Housing Act of 1990, as amended (HOME Investment Partnership 13 Program).
- 14 <del>(J)</del>
- 15 (K) Titles IV and V of the McKinney-Vento Homeless 16 Assistance Act of 1987, as amended, including the Department of 17 Housing and Urban Development's Supportive Housing Program, 18 Shelter Plus Care program, and surplus federal property disposition 19 program.
- 20 <del>(K)</del>

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- (*L*) Grants and loans made by the Department of Housing and Community Development, including the Rental Housing Construction Program, CHRP-R, and other rental housing finance programs.
- 25 <del>(L)</del>
- 26 (*M*) Chapter 1138 of the Statutes of 1987.
- 27 <del>(M)</del>
  - (N) The following assistance provided by counties or cities in exchange for restrictions on the maximum rents that may be charged for units within a multifamily rental housing development and on the maximum tenant income as a condition of eligibility for occupancy of the unit subject to the rent restriction, as reflected by a recorded agreement with a county or city:
- 34 (i) Loans or grants provided using tax increment financing 35 pursuant to the Community Redevelopment Law (Part 1 36 (commencing with Section 33000) of Division 24 of the Health 37 and Safety Code).
- 38 (ii) Local housing trust funds, as referred to in paragraph (3) of subdivision (a) of Section 50843 of the Health and Safety Code.

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(iii) The sale or lease of public property at or below market 2 rates.

(iv) The granting of density bonuses, or concessions or incentives, including fee waivers, parking variances, or amendments to general plans, zoning, or redevelopment project area plans, pursuant to Chapter 4.3 (commencing with Section 65915).

Assistance pursuant to this subparagraph shall not include the use of tenant-based Housing Choice Vouchers (Section 8(o) of the United States Housing Act of 1937, 42 U.S.C. Sec. 1437f(o), excluding subparagraph (13) relating to project-based assistance). Restrictions shall not include any rent control or rent stabilization ordinance imposed by a county, city, or city and county.

- (4) "City" means a general law city, a charter city, or a city and county.
- (5) "Expiration of rental restrictions" means the expiration of rental restrictions for an assisted housing development described in paragraph (3) unless the development has other recorded agreements restricting the rent to the same or lesser levels for at least 50 percent of the units.
- (6) "Low or moderate income" means having an income as defined in Section 50093 of the Health and Safety Code.
- (7) "Prepayment" means the payment in full or refinancing of the federally insured or federally held mortgage indebtedness prior to its original maturity date, or the voluntary cancellation of mortgage insurance, on an assisted housing development described in paragraph (3) that would have the effect of removing the current rent or occupancy or rent and occupancy restrictions contained in the applicable laws and the regulatory agreement.
- (8) "Termination" means an owner's decision not to extend or renew its participation in a federal, state, or local government subsidy program or private, nongovernmental subsidy program for an assisted housing development described in paragraph (3), either at or prior to the scheduled date of the expiration of the contract, that may result in an increase in tenant rents or a change in the form of the subsidy from project-based to tenant-based.
- (9) "Very low income" means having an income as defined in Section 50052.5 of the Health and Safety Code.
- (b) (1) At least 12 months prior to the anticipated date of the termination of a subsidy contract, the expiration of rental

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restrictions, or prepayment on an assisted housing development, the owner proposing the termination or prepayment of governmental assistance or the owner of an assisted housing development in which there will be the expiration of rental restrictions shall provide a notice of the proposed change to each affected tenant household residing in the assisted housing development at the time the notice is provided and to the affected public entities. An owner who meets the requirements of Section 65863.13 shall be exempt from providing that notice. The notice shall contain all of the following:

- (A) In the event of termination, a statement that the owner intends to terminate the subsidy contract or rental restrictions upon its expiration date, or the expiration date of any contract extension thereto.
- (B) In the event of the expiration of rental restrictions, a statement that the restrictions will expire, and in the event of prepayment, termination, or the expiration of rental restrictions whether the owner intends to increase rents during the 12 months following prepayment, termination, or the expiration of rental restrictions to a level greater than permitted under Section 42 of the Internal Revenue Code.
- (C) In the event of prepayment, a statement that the owner intends to pay in full or refinance the federally insured or federally held mortgage indebtedness prior to its original maturity date, or voluntarily cancel the mortgage insurance.
- (D) The anticipated date of the termination, prepayment of the federal or other program or expiration of rental restrictions, and the identity of the federal or other program described in subdivision (a).
- (E) A statement that the proposed change would have the effect of removing the current low-income affordability restrictions in the applicable contract or regulatory agreement.
- (F) A statement of the possibility that the housing may remain in the federal or other program after the proposed date of termination of the subsidy contract or prepayment if the owner elects to do so under the terms of the federal government's or other program operator's offer.
- (G) A statement whether other governmental assistance will be provided to tenants residing in the development at the time of the termination of the subsidy contract or prepayment.

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(H) A statement that a subsequent notice of the proposed change, including anticipated changes in rents, if any, for the development, will be provided at least six months prior to the anticipated date of termination of the subsidy contract, or expiration of rental restrictions, or prepayment.

- (I) A statement of notice of opportunity to submit an offer to purchase, as required in Section 65863.11.
- (2) Notwithstanding paragraph (1), if an owner provides a copy of a federally required notice of termination of a subsidy contract or prepayment at least 12 months prior to the proposed change to each affected tenant household residing in the assisted housing development at the time the notice is provided and to the affected public entities, the owner shall be deemed in compliance with this subdivision, if the notice is in compliance with all federal laws. However, the federally required notice does not satisfy the requirements of Section 65863.11.
- (c) (1) At least six months prior to the anticipated date of termination of a subsidy contract, expiration of rental restrictions or prepayment on an assisted housing development, the owner proposing the termination or prepayment of governmental assistance or the owner of an assisted housing development in which there will be the expiration of rental restrictions shall provide a notice of the proposed change to each affected tenant household residing in the assisted housing development at the time the notice is provided and to the affected public entities. An owner who meets the requirements of Section 65863.13 shall be exempt from providing that notice.
  - (2) The notice to the tenants shall contain all of the following:
- (A) The anticipated date of the termination or prepayment of the federal or other program, or the expiration of rental restrictions, and the identity of the federal or other program, as described in subdivision (a).
- (B) The current rent and rent anticipated for the unit during the 12 months immediately following the date of the prepayment or termination of the federal or other program, or expiration of rental restrictions.
- (C) A statement that a copy of the notice will be sent to the city, county, or city and county, where the assisted housing development is located, to the appropriate local public housing authority, if any, and to the Department of Housing and Community Development.

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(D) A statement of the possibility that the housing may remain in the federal or other program after the proposed date of subsidy termination or prepayment if the owner elects to do so under the terms of the federal government's or other program administrator's offer or that a rent increase may not take place due to the expiration of rental restrictions.

- (E) A statement of the owner's intention to participate in any current replacement subsidy program made available to the affected tenants.
- (F) The name and telephone number of the city, county, or city and county, the appropriate local public housing authority, if any, the Department of Housing and Community Development, and a legal services organization, that can be contacted to request additional written information about an owner's responsibilities and the rights and options of an affected tenant.
- (3) In addition to the information provided in the notice to the affected tenant, the notice to the affected public entities shall contain information regarding the number of affected tenants in the project, the number of units that are government assisted and the type of assistance, the number of the units that are not government assisted, the number of bedrooms in each unit that is government assisted, and the ages and income of the affected tenants. The notice shall briefly describe the owner's plans for the project, including any timetables or deadlines for actions to be taken and specific governmental approvals that are required to be obtained, the reason the owner seeks to terminate the subsidy contract or prepay the mortgage, and any contacts the owner has made or is making with other governmental agencies or other interested parties in connection with the notice. The owner shall also attach a copy of any federally required notice of the termination of the subsidy contract or prepayment that was provided at least six months prior to the proposed change. The information contained in the notice shall be based on data that is reasonably available from existing written tenant and project records.
- (d) The owner proposing the termination or prepayment of governmental assistance or the owner of an assisted housing development in which there will be the expiration of rental restrictions shall provide additional notice of any significant changes to the notice required by subdivision (c) within seven

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business days to each affected tenant household residing in the assisted housing development at the time the notice is provided and to the affected public entities. "Significant changes" shall include, but not be limited to, any changes to the date of termination or prepayment, or expiration of rental restrictions or the anticipated new rent.

- (e) An owner who is subject to the requirements of this section shall also provide a copy of any notices issued to existing tenants pursuant to subdivision (b), (c), or (d) to any prospective tenant at the time he or she is interviewed for eligibility.
- (f) This section shall not require the owner to obtain or acquire additional information that is not contained in the existing tenant and project records, or to update any information in his or her records. The owner shall not be held liable for any inaccuracies contained in these records or from other sources, nor shall the owner be liable to any party for providing this information.
- (g) For purposes of this section, service of the notice to the affected tenants, the city, county, or city and county, the appropriate local public housing authority, if any, and the Department of Housing and Community Development by the owner pursuant to subdivisions (b) to (e), inclusive, shall be made by first-class mail postage prepaid.
- (h) Nothing in this section shall enlarge or diminish the authority, if any, that a city, county, city and county, affected tenant, or owner may have, independent of this section.
- (i) If, prior to January 1, 2001, the owner has already accepted a bona fide offer from a qualified entity, as defined in subdivision (c) of Section 65863.11, and has complied with this section as it existed prior to January 1, 2001, at the time the owner decides to sell or otherwise dispose of the development, the owner shall be deemed in compliance with this section.
- (j) Injunctive relief shall be available to any party identified in paragraph (1) or (2) of subdivision (a) who is aggrieved by a violation of this section.
- (k) The Director of Housing and Community Development shall approve forms to be used by owners to comply with subdivisions (b) and (c). Once the director has approved the forms, an owner shall use the approved forms to comply with subdivisions (b) and (c).

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(*l*) This section shall remain in effect only until January 1, 2011, and as of that date is repealed, unless a later enacted statute, which is enacted on or before January 1, 2011, deletes or extends that date.

- SEC. 3. Section 34315.7 of the Health and Safety Code is amended to read:
- 34315.7. (a) Real property owned by an authority—which that the authority determines is not required for its foreseeable needs and—which that is not transferred pursuant to Section 34315.5; shall be disposed of for the following purposes, in descending order of priority:

12 <del>(a)</del>

(1) For the purposes, and in accordance with the provisions, of Article 10 (commencing with Section 50568) of Chapter 2 of Part 1 of Division 1 of Title 5 of the Government Code.

<del>(b)</del>

(2) To public, nonprofit, or private developers for development of housing for persons and families of low and moderate income, as defined by Section 50093. Such These transfers may not be made at a cost below the housing authority's acquisition cost but may be made at a cost below market value if (1) (A) not less than 30 percent of the housing units to be developed will be enforceably restricted for occupancy by persons and families of low and moderate income, with at least 50 percent of the housing units restricted to persons and families of low income, and (2) (B) a transfer at below market value is necessary to assure that the housing units restricted for occupancy by persons and families of low or moderate income will be provided at affordable housing cost, as defined by Section 50052.5.

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31 (3) To private developers, generally, at market value for 32 development of housing.

33 <del>(d)</del>

(4) For any purpose, where the sale is at public auction to the highest bidder.

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(b) The Department of Housing and Community Development shall adopt regulations governing disposal of surplus real property of housing authorities pursuant to subdivisions (b) and (c) paragraphs (2) and (3) of subdivision (a). The regulations shall

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1 include requirements for providing public notice of a housing 2 authority's intent to dispose of real property in accordance with 3 this section and shall also specify other reasonable requirements 4 to implement the priorities established by this section.

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 (c) The deed or other instrument of conveyance shall recite that the authority has determined the property is not required for its foreseeable needs and it is being disposed of pursuant to this section and, if the property is disposed of pursuant to-subdivision (b) or (c) paragraphs (2) and (3) of subdivision (a), in accordance with regulations adopted by the Department of Housing and Community Development.—Such This recital shall be conclusive in favor of purchasers and encumbrancers for value.

Failure to comply with the provisions of this section shall not invalidate any right, title or interest acquired by a purchaser or encumbrancer for value.

- (d) The authority shall not dispose of housing units affordable to low- and moderate-income households, as defined by Section 50093, unless each of the following conditions is met:
- (1) The authority determines, based on substantial evidence, that the project is no longer meeting a need for rental housing for lower income families in the area.
  - (2) The authority has done all of the following:
  - (A) Notified the tenants of the authority's request for disposition.
- (B) Provided the tenants with an opportunity to comment on the authority's request for disposition at three public hearings, not less than one year prior to taking any action, including, but not limited to, entering into any contract, memorandum of understanding, or development agreement, to dispose of the property.
- (C) Has taken into consideration the comments received under subparagraph (B) when determining whether the property is meeting a need for rental housing.
- (3) The authority shall adopt a plan, not less than 180 days prior to taking any action to dispose of the property, to provide relocation assistance for adequate, comparable housing for any lower income tenant who will be displaced as a result of the disposition.
- (e) In the case of real property eligible for disposition pursuant to subdivision (d), where housing units will be destroyed, the

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authority shall require that each unit destroyed shall be replaced with a unit affordable to households at the same income levels as existed prior to disposition, and with the same occupancy restrictions and number of bedrooms as existed prior to disposition.

- (f) For the purposes of subdivision (d), disposition shall include the authority's decision not to extend or renew its participation in a federal housing subsidy program providing assistance to those units, including a change in the form of the subsidy from project-based to tenant-based.
- (g) Failure to comply with this section shall not invalidate any right, title, or interest acquired by a purchaser or encumbrancer for value.
- SECTION 1. Section 3011 of the Elections Code is amended to read:
- 3011. (a) The identification envelope shall contain all of the following:
- (1) A declaration, under penalty of perjury, stating that the voter resides within the precinct in which he or she is voting and is the person whose name appears on the envelope.
  - (2) The signature of the voter.
- (3) The residence address of the voter as shown on the affidavit of registration.
  - (4) The date of signing.

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- (5) A notice that the identification envelope contains an official ballot and is to be opened only by the canvassing board.
- (6) A warning plainly stamped or printed on the identification envelope that voting twice constitutes a crime.
- (7) A warning plainly stamped or printed on the identification envelope that the voter must sign the envelope in his or her own handwriting in order for the ballot to be counted.
- (8) A statement that the voter has neither applied, nor intends to apply, for a vote by mail ballot from any other jurisdiction for the same election.
- (9) The name of the person authorized by the voter to return the vote by mail ballot pursuant to Section 3017.
- (10) The relationship to the voter of the person authorized to return the vote by mail ballot.
- 38 (11) The signature of the person authorized to return the vote by mail ballot.

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1 (b) Except at a primary election for partisan office, and

- notwithstanding any other provision of law, the party affiliation of the vote by mail voter shall not be stamped or printed on the
- 4 identification envelope.